

Old Age, Disability, Death

First laws: 1898 (old-age pension), 1911 (widow's pension), 1924 (blind pension), and 1936 (disability pension).

Current law: 1990 (National Superannuation, 1994 renamed New Zealand Superannuation).

Type of program: Dual universal and social assistance systems.

Exchange rate: U.S.\$1.00 equals NZ\$1.40

Note: Amounts reflect benefit rates as of April 1, 1999. All net benefits reflect the primary tax rate applied.

Coverage

All residents.

Source of Funds

Insured person: None.

Employer: None.

Government: Entire cost financed from general revenues. General revenues also finance sickness, maternity, and unemployment benefits and family allowances.

Qualifying Conditions

Old-age pension New Zealand Superannuation: Currently age 64, rising to age 65 by the year 2001.

10 years residence after age 20 (5 years must be since age 50).

No income or retirement test (except married pensioner with unqualified spouse).

Reciprocity required for full payments abroad beyond temporary absence. Part portability (up to 50%) in other instances.

Disability pension Invalid benefit: Permanent and severe restriction in capacity for work, or total blindness.

Residence during last 10 years; income-tested.

Personal earnings of totally blind person are exempt. Must be over 16 years of age.

Survivor pension Widow benefit. Widow of specified category or orphan. (orphan benefit). Residence during last 3-5 years; income-tested.

Old-Age Benefits

Old-age pension New Zealand Superannuation: NZ\$255.27 gross, NZ\$212.69 net a week for single person living alone (NZ\$233.80 gross NZ\$195.84 net if sharing accommodation). NZ\$384.28 gross, NZ\$325.58 net for aged couple.

No income test.

Married pensioner with unqualified spouse may take half the married rate (no income test) or full married rate (income-tested).

Annual review of income-tested benefits. Other assistance available (some needs-tested), such as accommodation supplement, disability allowance, special needs grants.

Permanent Disability Benefits

Disability pension (income-tested): Up to NZ\$184.85 (net) a week for a single person, or NZ\$308.08 for couple. Up to NZ\$149.59 for unmarried beneficiary under age 18. Benefit reduced for income exceeding NZ\$4,160 a year.

Personal earnings of totally blind person are exempt.

Additional payments for dependent children.

Youth Rate: Age 16-17 years, NZ\$149.59.

Annual review of benefits.

Other assistance available (some needs-tested) such as accommodation supplement, advances for maintenance and repairs to the home, training incentive allowance, transition to work allowance, disability allowance, special needs grants.

Survivor Benefits

Survivor pension (income-tested): Up to NZ\$154.04 (net) payable to widow. Benefit reduced for income exceeding NZ\$4,160 a year. Subject to taxation. Orphans (not income-tested): Up to NZ\$102.68 a week for each full orphan under 18 (not taxable).

Annual review of benefits.

Lump-sum grant (income-tested): Up to NZ\$1,131 for funeral costs.

Other assistance available (some needs tested): Same as for permanent disability pension.

Administrative Organization

Department of Work and Income (Work and Income New Zealand WINZ), administration of pensions through local offices.

Sickness and Maternity

First law: 1938.

Current law: 1964.

Type of program: Dual universal and social assistance systems.

Amounts reflect benefit rates as of April 1, 1999.

Coverage

Cash sickness benefits: Temporarily incapacitated for full-time work.

Maternity benefits: Single women.

Medical benefits: All residents.

Source of Funds

Insured person: None.

Employer: None.

Government: Entire cost financed from general revenues.

Qualifying Conditions

Cash sickness and maternity benefits: Age 18 or older (age 16 if married with a dependent child); 24 months of residence; income-tested; if less than 24 months residence, an income- and asset-tested benefit is possible in cases of hardship.

Medical benefits: Ordinary residence or intent to remain 2 years; no income test.

Sickness and Maternity Benefits

Sickness benefit Community Wage (income-tested): Up to NZ\$147.89 a week if age 25, single, no children (NZ\$123.23 if age 20-24, or age 18-19 living away from home; NZ\$98.58 if age 18-19 living with a parent). Up to NZ\$211.82 for single beneficiary with 1 child; NZ\$231.09 if single with 2 or more children. Up to NZ\$246.46 for a married couple without children; NZ\$261.90 for a married couple with 1 or more children.

All benefits are weekly rates, net of tax.

Benefit reduced for income exceeding NZ\$80 a week.

Maximum benefit: As above.

Payable after 1 to 10 weeks waiting period, determined by previous income and family circumstances.

Maternity benefit (income-tested): Payable to single pregnant women at sickness benefit rate, 3 months before and after confinement unless extended for medical reasons.

Workers' Medical Benefits

Medical benefits: Health user subsidies.

Free services include in-patient care in public hospitals, general practitioner care for children up to age 6, maternity and most laboratory services. Private hospital care costs are not subsidized. Prescribed medicines are subsidized at various levels, depending on income. Families with low incomes have access to a Community Services Card (CSC) which lowers their prescription charges from a maximum of NZ\$14 per item to NZ\$3 per item. Once a family has used 20 items per year, the charge falls to NZ\$0 for CSC holders and NZ\$2 per item for non-card holders. Health subsidies are extended to low income and high users of medical care.

Dependents' Medical Benefits

Medical benefits for dependents: Same as for family head with special subsidies for low-income families or those with need for intensive medical care.

Administrative Organization

Department of Work and Income (Work and Income New Zealand WINZ), administration of cash benefits through branch and district offices.

Health Funding Agency, administration of medical benefits.

Maximum benefit: NZ\$1,302.09 a week.

Minimum benefit (full-time earners with total disability): NZ\$280 a week age 20 and older, NZ\$216.47 under age 20.

Permanent Disability Benefits

Permanent disability pension: Independence Allowance (if personal injury results in impairment of 10% or more): NZ\$10.28 a week for 10% impairment up to NZ\$61.68 for 80% or greater impairment.

Workers' Medical Benefits

Medical benefits: Minimum payment (which, in some cases, may be the full cost) of medical care and physical rehabilitation as specified in legislation; the cost of anything not specified is fully paid. Full payment of elective surgery is available when medical care is from a public hospital or from an insurer-nominated medical provider. Social rehabilitation provided without limit: attendant care, household help, child care, aids and appliances, modification of motor vehicles and/or residential premises. Vocational rehabilitation provided for up to 3 years for those entitled to compensation for loss of earnings and potential earnings or to those who could be entitled if they don't receive vocational rehabilitation.

Survivor Benefits

Survivor pension: All survivor pensions based on 80% of insured's weekly compensation: surviving spouse: 60%; orphans (each child under age 18), 20%, 40% if full orphan; other dependents, 20%. Survivor's grants: NZ\$4,504.60 to surviving spouse: NZ\$2,252.30 to each child under 18 or other dependent. Funeral grant: Payable to personal representative of deceased for up to NZ\$3,145.63.

Administrative Organization

Department of Labour, direct supervision and enforcement of law.

Work Injury

First law: 1908.

Current law: 1998 (Accident Insurance Act, 1998, effective July 1, 1999).

Type of program: Dual universal and compulsory insurance (with public or private carrier) systems.

Benefit amounts reflect rates as of July 1, 1999.

Coverage

All injured including children and non-working adults, visitors to New Zealand and New Zealanders traveling abroad.

Source of Funds

Insured person: Insurance premiums paid by self-employed; special earmarked taxes including gas and motor vehicle licensing fees.

Employer: Whole cost for employees through insurance premiums.

Government: General revenues to fund program for non-earners.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Nonwork-related injury benefits: Must be incapacitated for one week.

Temporary Disability Benefits

Temporary disability benefit: 80% of gross earnings (subject to taxation) until able to return to work.

Unemployment

First law: 1930.

Current law: 1964.

Amounts reflect benefit rates as of April 1, 1999.

Type of program: Unemployment assistance system.

Coverage

Every person under qualifying age for superannuation who is unemployed and actively seeking employment. Independent Youth benefit paid to single 16-17 year olds who are not living with parents and cannot be supported by their parents.

Exclusions: Pensioners, full-time students, and striking workers.

Source of Funds

Insured person: None.

Employer: None.

Government: Entire cost financed from general revenues.

Qualifying Conditions

Unemployment benefit-Community Wage: Age 18 or older (age 16 if married with a dependent child); 24 months of residence; income-tested; if less than 24 months residence, an income- and

asset-tested benefit is possible in cases of hardship. Registered at labor office, able and willing to work, and seeking work.

Unemployment not due to voluntarily leaving employment, misconduct, or dismissal for involvement in industrial dispute, or refusal of suitable offer.

Benefit may be withheld up to 13 weeks in cases of voluntary unemployment or failure to meet employment related obligations.

Unemployment Benefits

Unemployment benefit Community Wage (income-tested): Up to NZ\$147.89 a week if age 25, single, no children (NZ\$123.23 if age 20-24, or age 18-19 living away from home; NZ\$98.58 if age 18-19 living with a parent). Up to NZ\$211.82 for single beneficiary with 1 child; NZ\$231.09 if single with 2 or more children. Up to NZ\$246.46 for a married couple without children; NZ\$261.90 for a married couple with 1 or more children.

All benefits are weekly rates, net of tax.

Benefit reduced for income exceeding NZ\$80 a week.

Maximum benefit: As above.

Payable after 1-10 week waiting period, determined by previous income and family circumstances. Annual review of benefits.

Administrative Organization

Department of Work and Income (Work and Income New Zealand - WINZ), administration of benefits through branch and district offices.

Family Allowances

First law: 1926.

Current laws: 1964 (family benefit, discontinued from 1 April 1991), 1973 (domestic purposes benefits), 1978 (disabled child's allowance), 1985 (family support), 1986 (guaranteed minimum family income) and 1996 (Independent Family Tax Credit).

Type of program: Dual universal and social assistance systems.

Amounts reflect benefit rates as of April 1, 1999.

Coverage

Domestic purpose benefit: Single parent caring for dependent child under age 18, or person caring for someone (other than spouse or own child) who would be otherwise hospitalized.

Child disability allowance: Persons caring for physically or mentally disabled children at home.

Family support: Low income beneficiary families with dependent children.

Independent family tax credit: Low income, non-beneficiary families with dependent children.

Guaranteed minimum family income: Low income, non-beneficiary working families with dependent children.

Source of Funds

Insured person: None.

Employer: None.

Government: Entire cost financed from general revenues.

Qualifying Conditions

Family allowances: Domestic purpose benefit: Payable to unsupported single parent aged 18 and over; resident during last 10 years (no residence requirement if child born in New Zealand). Child disability allowance: Child born in New Zealand, or resident during last 12 months, or intent to reside there permanently. Payable to parent or guardian of seriously disabled child living at home. Family support: Payable to families with low or moderate incomes.

Family Allowance Benefits

Family allowances: Domestic purpose benefit and emergency maintenance allowance (income-tested): NZ\$211.82 a week to single parent with 1 child, NZ\$231.09 if single with 2 or more children. Payable after 1-10 week waiting period, determined by previous income and family circumstances. Benefit reduced for income exceeding NZ\$80 per week and benefit may be reduced, suspended or cancelled if recipient fails to meet employment related obligations.

Child disability allowance (no income test): NZ\$32.70 a week.

Family support (income-tested): Up to NZ\$47 a week for first child, NZ\$40 for subsequent child over 12; NZ\$32 for subsequent children 0 to 12 years old. Benefit reduced for income exceeding NZ\$20,000 a year.

Independent family tax credit: Up to NZ\$15 per child, per week.

Payable to families with income below NZ\$20,000 a year.

Guaranteed minimum family income: NZ\$290 a week (NZ\$15,080 a year).

Administrative Organization

Department of Work and Income (Work and Income New Zealand - WINZ) administration of allowances through branch and district offices.

Department of Inland Revenue, administration of family support, independent family tax credit and guaranteed minimum family income programs.